State of Arizona House of Representatives Fifty-fourth Legislature Second Regular Session 2020

## **HOUSE BILL 2724**

### AN ACT

AMENDING SECTION 3-710, ARIZONA REVISED STATUTES; AMENDING TITLE 3, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 2; RELATING TO THE EGG-LAYING HENS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona: Section 1. Section 3-710, Arizona Revised Statutes, is amended to read:

# 3-710. <u>Powers and duties: state preemption: egg promotion</u> program

- A. The department may acquire and distribute to interested persons useful information relative to preparing for market, handling, purchasing, transporting, storing and marketing eggs and egg products, including demonstrating how to classify eggs and egg products in accordance with the uniform standards and grades prescribed pursuant to this chapter.
- B. The department may issue in booklet form copies of this article containing complete descriptive terms as to shell, aircell, white, yolk and germ, and may change definitions of terms and grades as they are made and promulgated by the United States department of agriculture.
- C. On request of the United States government, and others, the director may negotiate and sign cooperative agreements to provide inspection and grading services and charge and receive payment for the reasonable cost of such services. The monies received for such services shall be deposited in the state egg inspection trust fund established by section 3-717.
- D. When the production of papers, books and records relating to any matter under investigation is deemed advisable, the director may apply to the superior court in any county for an order requiring the production of the papers, books and records. If the court is satisfied that the papers, books and records are pertinent to the matter under investigation, their production shall be ordered.
- E. A complaint filed with the department charging a noncompliance with or violation of any provision of this article shall be in writing and signed by the complainant.
- F. The supervisor and inspectors shall enforce this article in conformity with rules adopted by the director. The refusal of an officer authorized under this article to carry out the orders and directions of the director in the enforcement of this article or prosecutions under this article is neglect of duty. The director shall make and enforce such rules as the director deems necessary to carry out this article.
- G. An inspector may enter and inspect any place or conveyance within this state over which the inspector has supervision where eggs are produced, candled, incubated, stored, packed, delivered for shipment, loaded, shipped, transported or sold, and may inspect all invoices and eggs and the cases and containers of the eggs and equipment found in the places or conveyances, and may take for inspection representative samples of the invoices, eggs and cases or containers for the purpose of determining whether or not any provision of this article has been violated.

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- H. An inspector, while enforcing this article, may seize and hold as evidence an advertisement, sign, placard, invoice, case or container of eggs or egg products or all or any part of any pack, load, lot consignment or shipment of eggs or egg products packed, stored, delivered for shipment, loaded, shipped, transported or sold in violation of any provisions of this article.
- I. The department may prescribe minimum standards for egg processing plants and sanitary standards for processing shell eggs. The department shall establish these standards by rule. Chemicals used in egg processing plants, sanitizers used in egg processing, egg soaps, egg oil and other substances used in processing shell eggs are subject to the approval of the director.
- J. The director shall adopt rules for poultry husbandry and the production of eggs sold in this state. This subsection does not apply to egg producers operating or controlling the operation of an egg ranch that has fewer than twenty THREE thousand egg-laying hens producing eggs.
- K. Consistency of poultry husbandry practices for the production of eggs is a statewide matter. The regulation of poultry husbandry practices related to the production of eggs is not subject to further regulation by a county, city, town or other political subdivision of this state.
  - L. The director may:
- 1. Establish an egg promotion program to provide certification, inspection and grading services and may prescribe, by rule, fees for those services. Except as provided in paragraph 3 of this subsection, Monies collected from the fees shall be deposited, pursuant to sections 35-146 and 35-147, in the state egg inspection trust fund established by section 3-717.
- 2. Adopt rules to administer the egg promotion program, including participation guidelines, use requirements for department trademarks and certification marks and other rules the director deems necessary.
- 3. Conduct inspections to ensure compliance with the trademark and certification mark rules adopted pursuant to this subsection. The monies collected from fees for an inspection conducted pursuant to this paragraph shall be deposited, pursuant to sections 35-146 and 35-147, in the state egg inspection trust fund established by section 3-717.
- Sec. 2. Title 3, chapter 5, Arizona Revised Statutes, is amended by adding article 2, to read:

ARTICLE 2. CONFINEMENT OF EGG-LAYING HENS

3-761. Definitions

IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- 1. "BUSINESS OWNER OR OPERATOR" MEANS ANY PERSON THAT OWNS OR CONTROLS THE OPERATIONS OF A BUSINESS.
  - 2. "CAGE-FREE HOUSING SYSTEM":
- (a) MEANS AN INDOOR OR OUTDOOR CONTROLLED ENVIRONMENT FOR EGG-LAYING HENS TO WHICH ALL OF THE FOLLOWING APPLY:

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- (i) FOR AN INDOOR ENVIRONMENT, THE HENS ARE FREE TO ROAM UNRESTRICTED EXCEPT BY EXTERIOR WALLS, OR IN MULTITIERED AVIARIES, PARTIALLY SLATTED SYSTEMS, SINGLE-LEVEL ALL-LITTER FLOOR SYSTEMS OR ANY OTHER CAGE-FREE HOUSING SYSTEM THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH, INTERIOR FENCES USED TO CONTAIN THE ENTIRE FLOCK WITHIN THE BUILDING OR SUBDIVIDE FLOCKS INTO SMALLER GROUPS, IF FARM EMPLOYEES CAN WALK THROUGH EACH CONTAINED OR SUBDIVIDED AREA TO PROVIDE CARE TO HENS AND IF EACH HEN HAS THE MINIMUM AMOUNT OF USABLE FLOOR SPACE PRESCRIBED IN SECTION 3-762.
- (ii) THE HENS ARE PROVIDED ENRICHMENTS THAT ALLOW THEM TO EXHIBIT NATURAL BEHAVIORS, INCLUDING, AT A MINIMUM, SCRATCH AREAS, PERCHES, NEST BOXES. AND DUST BATHING AREAS.
- (iii) FOR AN INDOOR ENVIRONMENT, A FARM EMPLOYEE CAN PROVIDE CARE WHILE STANDING WITHIN THE HENS' USABLE FLOOR SPACE.
- (b) INCLUDES, TO THE EXTENT THAT SUCH SYSTEMS COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH, MULTITIERED AVIARIES, PARTIALLY SLATTED SYSTEMS, SINGLE-LEVEL ALL LITTER FLOOR SYSTEMS AND ANY FUTURE SYSTEMS THAT WILL COMPLY WITH THE REQUIREMENTS OF THIS PARAGRAPH.
- (c) DOES NOT INCLUDE SYSTEMS COMMONLY DESCRIBED AS BATTERY CAGES, COLONY CAGES, ENRICHED CAGES, ENRICHED COLONY CAGES, MODIFIED CAGES, CONVERTIBLE CAGES OR FURNISHED CAGES OR SIMILAR CAGE SYSTEMS.
- 3. "DIRECTOR" MEANS THE DIRECTOR OF THE ARIZONA DEPARTMENT OF AGRICULTURE OR THE DIRECTOR'S DESIGNEE.
- 4. "EGG-LAYING HEN" MEANS ANY FEMALE DOMESTICATED CHICKEN, TURKEY, DUCK, GOOSE OR GUINEA FOWL KEPT FOR THE PURPOSE OF COMMERCIAL EGG PRODUCTION.
  - 5. "EGG PRODUCTS":
- (a) MEANS EGGS OF AN EGG-LAYING HEN BROKEN FROM THE SHELLS, INTENDED FOR HUMAN FOOD, WHETHER IN LIQUID, SOLID, DRIED OR FROZEN FORM, WHETHER RAW OR COOKED AND WITH THE YOLKS AND WHITES IN THEIR NATURAL PROPORTIONS, OR WITH THE YOLKS AND WHITES SEPARATED, MIXED OR MIXED AND STRAINED.
- (b) DOES NOT INCLUDE COMBINATION FOOD PRODUCTS, INCLUDING PANCAKE MIXES, CAKE MIXES, COOKIES, PIZZAS, COOKIE DOUGH, ICE CREAM OR SIMILAR FOOD PRODUCTS THAT ARE COMPOSED OF MORE THAN EGG PRODUCTS, SUGAR, SALT, WATER, SEASONING, COLORING, FLAVORING, PRESERVATIVES, STABILIZERS AND SIMILAR FOOD ADDITIVES.
  - 6. "ENCLOSURE" MEANS A STRUCTURE USED TO CONFINE AN EGG-LAYING HEN.
  - 7. "FARM":
- (a) MEANS THE LAND, BUILDING, SUPPORT FACILITIES AND OTHER EQUIPMENT THAT ARE WHOLLY OR PARTIALLY USED FOR THE COMMERCIAL PRODUCTION OF ANIMALS OR ANIMAL PRODUCTS USED FOR FOOD.
- (b) DOES NOT INCLUDE LIVE ANIMAL MARKETS OR OFFICIAL PLANTS AT WHICH MANDATORY INSPECTION IS MAINTAINED UNDER THE EGG PRODUCTS INSPECTION ACT (P.L. 91-597; 84 STAT. 1620).

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- 8. "FARM OWNER OR OPERATOR" MEANS ANY PERSON THAT OWNS OR CONTROLS THE OPERATIONS OF A FARM.
- 9. "MULTITIERED AVIARY" MEANS A CAGE-FREE HOUSING SYSTEM IN WHICH HENS HAVE UNFETTERED ACCESS TO MULTIPLE ELEVATED PLATFORMS THAT PROVIDE HENS WITH USABLE FLOOR SPACE BOTH ON TOP OF AND UNDERNEATH THE PLATFORMS.
- 10. "PARTIALLY SLATTED SYSTEM" MEANS A CAGE-FREE HOUSING SYSTEM IN WHICH HENS HAVE UNFETTERED ACCESS TO ELEVATED FLAT PLATFORMS UNDER WHICH MANURE DROPS THROUGH THE FLOORING TO A PIT OR LITTER REMOVAL BELT BELOW.
- 11. "PERSON" HAS THE SAME MEANING PRESCRIBED IN SECTION 3-701, PARAGRAPH 21.
  - 12. "SALE":
- (a) MEANS A COMMERCIAL SALE BY A BUSINESS THAT SELLS ANY ITEM COVERED BY THIS ARTICLE.
- (b) DOES NOT INCLUDE ANY SALE UNDERTAKEN AT AN OFFICIAL PLANT AT WHICH MANDATORY INSPECTION IS MAINTAINED UNDER THE EGG PRODUCTS INSPECTION ACT (P.L. 91-597; 84 STAT. 1620).
- 13. "SHELL EGG" MEANS A WHOLE EGG OF AN EGG-LAYING HEN IN ITS SHELL FORM THAT IS INTENDED FOR USE AS HUMAN FOOD.
- 14. "SINGLE-LEVEL ALL-LITTER FLOOR SYSTEM" MEANS A CAGE-FREE HOUSING SYSTEM BEDDED WITH LITTER IN WHICH HENS HAVE LIMITED OR NO ACCESS TO ELEVATED FLAT PLATFORMS.
  - 15. "USABLE FLOOR SPACE":
- (a) MEANS THE TOTAL SQUARE FOOTAGE OF FLOOR SPACE PROVIDED TO EACH EGG-LAYING HEN, AS CALCULATED BY DIVIDING THE TOTAL SQUARE FOOTAGE OF FLOOR SPACE PROVIDED TO HENS IN AN ENCLOSURE BY THE NUMBER OF HENS IN THAT ENCLOSURE.
- (b) INCLUDES BOTH GROUND SPACE AND ELEVATED LEVEL OR NEARLY LEVEL FLAT PLATFORMS ON WHICH HENS CAN ROOST.
  - (c) DOES NOT INCLUDE PERCHES OR RAMPS.
  - 3-762. <u>Egg-laying hens; enclosures; usable floor space</u> requirements; prohibitions; exceptions
- A. FROM AND AFTER DECEMBER 31, 2020, A FARM OWNER OR OPERATOR IN THIS STATE MAY NOT KNOWINGLY CONFINE AN EGG-LAYING HEN IN AN ENCLOSURE WITH LESS THAN ONE SQUARE FOOT OF USABLE FLOOR SPACE PER HEN.
- B. FROM AND AFTER DECEMBER 31, 2024, A FARM OWNER OR OPERATOR IN THIS STATE MAY NOT KNOWINGLY CONFINE AN EGG-LAYING HEN IN AN ENCLOSURE:
  - 1. THAT IS NOT A CAGE-FREE HOUSING SYSTEM.
  - 2. WITH LESS THAN EITHER:
- (a) ONE SQUARE FOOT OF USABLE FLOOR SPACE PER HEN IN MULTITIERED AVIARIES, PARTIALLY SLATTED CAGE-FREE HOUSING SYSTEMS OR ANY OTHER CAGE-FREE HOUSING SYSTEM THAT PROVIDES HENS WITH UNFETTERED ACCESS TO VERTICAL SPACE.

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- (b) ONE AND ONE-HALF SQUARE FEET OF USABLE FLOOR SPACE PER HEN IN SINGLE-LEVEL ALL-LITTER FLOOR SYSTEMS OR ANY OTHER CAGE-FREE HOUSING SYSTEM THAT DOES NOT PROVIDE HENS WITH UNFETTERED ACCESS TO VERTICAL SPACE.
- C. FROM AND AFTER DECEMBER 31, 2020, REGARDLESS OF WHERE PRODUCED, A BUSINESS OWNER OR OPERATOR MAY NOT KNOWINGLY ENGAGE IN THE SALE IN THIS STATE OF OR TRANSPORT FOR SALE IN THIS STATE OF EITHER OF THE FOLLOWING:
- 1. SHELL EGGS THAT THE BUSINESS OWNER OR OPERATOR KNOWS OR SHOULD KNOW IS THE PRODUCT OF AN EGG-LAYING HEN THAT WAS CONFINED IN A MANNER THAT CONFLICTS WITH THE STANDARDS REQUIRED IN SUBSECTIONS A AND B OF THIS SECTION.
- 2. EGG PRODUCTS THAT THE BUSINESS OWNER OR OPERATOR KNOWS OR SHOULD KNOW ARE THE PRODUCT OF AN EGG-LAYING HEN THAT WAS CONFINED IN A MANNER THAT CONFLICTS WITH THE STANDARDS REQUIRED IN SUBSECTIONS A AND B OF THIS SECTION.
- D. SUBSECTIONS A AND B OF THIS SECTION DO NOT APPLY TO THE FOLLOWING ACTIVITIES:
  - 1. MEDICAL RESEARCH.
- 2. EXAMINING, TESTING, INDIVIDUALLY TREATING OR OPERATING FOR VETERINARY PURPOSES, BUT ONLY IF PERFORMED BY OR UNDER THE DIRECT SUPERVISION OF A VETERINARIAN WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 21.
  - 3. TRANSPORTATION.
- 4. STATE OR COUNTY FAIR EXHIBITIONS, 4-H PROGRAMS AND SIMILAR EXHIBITIONS.
- 5. SLAUGHTER IN ACCORDANCE WITH ANY APPLICABLE LAWS, RULES AND REGULATIONS.
- 6. ANIMAL HUSBANDRY PURPOSES FOR TEMPORARY PERIODS OF NOT MORE THAN SIX HOURS IN ANY TWENTY-FOUR-HOUR PERIOD AND NOT MORE THAN TWENTY-FOUR HOURS TOTAL IN ANY THIRTY-DAY PERIOD.
  - 3-763. Location of sale

FOR THE PURPOSES OF THIS ARTICLE, A SALE IS DEEMED TO OCCUR AT THE LOCATION WHERE THE BUYER TAKES PHYSICAL POSSESSION OF THE ITEM.

3-764. <u>Director; powers and duties; rules; certification;</u> enforcement

- A. THE DIRECTOR SHALL ENFORCE THIS ARTICLE. THE DIRECTOR SHALL HAVE ACCESS DURING REGULAR BUSINESS HOURS TO BUSINESS PREMISES, FACILITIES, VEHICLES AND RECORDS PERTINENT TO ACTIVITIES THAT ARE REGULATED UNDER THIS ARTICLE.
- B. THE DIRECTOR SHALL ADOPT RULES RELATING TO ENFORCING THIS
  ARTICLE, INCLUDING RULES RELATING TO INSPECTING FARMS, SHELL EGGS AND EGG
  PRODUCTS TO ENSURE SHELL EGGS AND EGG PRODUCTS SOLD IN THIS STATE COMPLY
  WITH THIS ARTICLE.

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- C. THE DIRECTOR MAY RELY ON GOVERNMENT OR PRIVATE THIRD-PARTY INSPECTION AND CONTINUOUS PROCESS VERIFICATION SERVICES TO ENSURE COMPLIANCE WITH THIS ARTICLE, IF THE DIRECTOR APPROVES THE SPECIFIC INSPECTION AND CONTINUOUS PROCESS VERIFICATION SERVICE AND IS SATISFIED THAT THE SERVICE IS SUFFICIENT TO ENSURE COMPLIANCE WITH THIS ARTICLE DURING EGG PROCESSING.
- D. BEFORE A SALE WITHIN THIS STATE, SHELL EGGS AND EGG PRODUCTS MUST BE CERTIFIED AS COMPLIANT WITH THIS ARTICLE BY THE DIRECTOR. THE DIRECTOR SHALL CERTIFY SHELL EGGS AND EGG PRODUCTS AS COMPLIANT WITH THIS ARTICLE IF THE EGGS ARE INSPECTED TO SATISFY THE RULES ADOPTED PURSUANT TO SUBSECTION B OF THIS SECTION OR IF THE DIRECTOR DETERMINES THE EGGS ARE ACCOMPANIED WITH DOCUMENTATION PROVING THE EGGS HAVE UNDERGONE GOVERNMENT OR THIRD-PARTY INSPECTION AND PROCESS VERIFICATION SERVICES DESCRIBED IN SUBSECTION C OF THIS SECTION. THIS SUBSECTION DOES NOT APPLY TO PROCESSING FACILITIES WITH MONTHLY CAPACITIES OF FEWER THAN THREE THOUSAND CASES OF SHELL EGGS.
- E. THE ATTORNEY GENERAL OR COUNTY ATTORNEY, ON REQUEST, SHALL DO BOTH OF THE FOLLOWING:
- 1. ADVISE THE DIRECTOR OR THE DIRECTOR'S AUTHORIZED AGENTS IN THE PERFORMANCE OF THE DIRECTOR'S OR THE AUTHORIZED AGENT'S DUTIES.
  - 2. INSTITUTE AND PROSECUTE ACTIONS ARISING UNDER THIS ARTICLE.
  - 3-765. Applicability of article

THIS ARTICLE DOES NOT APPLY TO A FARM OWNER OR OPERATOR WITH ANNUAL EGG PRODUCTION FROM A FLOCK OF NOT MORE THAN THREE THOUSAND EGG-LAYING HENS.

### 3-766. Affirmative defense

IT IS A DEFENSE TO ANY ACTION TO ENFORCE THIS ARTICLE THAT A BUSINESS OWNER OR OPERATOR RELIED IN GOOD FAITH ON A WRITTEN CERTIFICATION BY THE SUPPLIER THAT THE SHELL EGGS OR EGG PRODUCTS AT ISSUE WERE NOT DERIVED FROM AN EGG-LAYING HEN THAT WAS CONFINED IN A MANNER THAT CONFLICTS WITH THE REQUIREMENTS OF SECTION 3-762.

#### 3-767. Injunction

THE DIRECTOR MAY BRING AN ACTION TO ENJOIN THE VIOLATION OR THREATENED VIOLATION OF ANY PROVISION OF THIS ARTICLE IN THE SUPERIOR COURT IN THE COUNTY IN WHICH THE VIOLATION OCCURRED OR IS ABOUT TO OCCUR.

3-768. Violation; civil penalty

A PERSON WHO VIOLATES THIS ARTICLE IS SUBJECT TO A CIVIL PENALTY OF AT LEAST \$100 BUT NOT MORE THAN \$500 PER VIOLATION.

#### Sec. 3. Exemption from rulemaking

For the purposes of this act, the Arizona department of agriculture is exempt from the rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes, for one year after the effective date of this act.

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Sec. 4. <u>Legislative findings</u>

The Legislature finds and declares that:

- 1. The regulation of egg production and of the sale of eggs and egg products is necessary to protect the health and welfare of consumers, to promote food safety, to advance animal welfare and to protect this state against the negative fiscal impacts associated with a lack of effective regulation of egg production and sales of eggs and egg products.
- 2. This act is in addition to, and not in lieu of, any other laws protecting animal welfare.
- 3. This act is not intended and should not be construed to limit any other state law or rules protecting the welfare of animals.

Sec. 5. Effective date

This act is effective from and after December 31, 2020.

Sec. 6. Severability

If a provision of this act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

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